

*Questions Decision to Strip Authority of IG*

**WASHINGTON. D.C.** – House Committee on Oversight and Government Reform Ranking Member Darrell Issa (R-CA) sent letters today to White House Counsel Gregory B. Craig, Deputy Assistant Attorney General for the Office of Legal Counsel (OLC) Daniel Koffsky, General Counsel for the Federal Housing Finance Agency (FHFA) Alfred M. Pollard and FHFA's Associate Director for Internal Audit Edward Kelly expressing concern regarding the lack of an Inspector General at FHFA – the federal agency responsible for overseeing Fannie Mae and Freddie Mac.

In the letter to White House Counsel Craig, Issa wrote, “We are now eleven months into this Presidency. The President’s failure to act has left the agency charged with overseeing two of the most irresponsible government sponsored entities – Fannie Mae and Freddie Mac- without any inspector general. In light of the Democratically-controlled, filibuster-proof Senate, the President’s failure to act is unacceptable and reckless.”

In his letter to the OLC, Issa called its opinion to strip the authority of Edward Kelley to act as Inspector General “disappointing” and that it was an “absurd conclusion that the federal agency responsible for overseeing Fannie Mae and Freddie Mac ought to be without an independent inspector general” and that the fallout “creates a gravely serious situation for the federal government and the taxpayers.”

Addressing the FHFA’s General Counsel, Issa questioned Mr. Pollard’s motives and wrote, “The intent of Congress to have an IG in place during the transition and beyond is clear. Therefore, it is extremely alarming that your office has actively litigated to create a situation wherein the agency operates without oversight from an IG...as part of agency management reporting directly to the agency’s Director, Mr. Kelly’s independence is completely undermined.”

Writing to Edward Kelly, who had his authority stripped, Issa asked him to detail what “audits, evaluations, inspections, or investigations that have been halted as a result of the OLC’s legal opinion” and to expand upon what activities he is currently engaged in.

In the interim, Issa called on the President to “immediately instruct FHFA Acting Director Edward DeMarco to delegate all of the duties of inspector general to Edward Kelley” and that Kelley “should continue to serve in that role with the full independence and authority granted to the position under the IG Act until a permanent replacement is nominated by the President and confirmed by the Senate.”

[Click Here to View Issa’s Letter to White House Counsel Craig](#)

[Click Here to View Issa’s Letter to OLC Deputy Assistant Counsel Koffsky](#)

[Click Here to View Issa’s Letter to FHFA General Counsel Pollard](#)

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